

**Subject: RE: Google Contract**

**Date:** Tue, 7 Sep 2004 17:06:16 -0700

(b) (3)

(b) (6)

**From:** "Sharon Levy" <[redacted]@google.com>

**To:** [redacted]

**CC:** "Jon Venverloh" <[redacted]@google.com>

Boyd,

I think some of the way these items are phrased is going to cause some confusion here. In particular:

- Jon pointed out to me that the product description in both line items should be revised to read version 3.4, as opposed to 4.x. (which is not yet released in the 8008) and that the support reference is also incorrect. Can we modify this to read:

"Google Search Appliance Version 3.4, [redacted] to include updates, services and maintenance for 2 years and fee for Government's retention of hardware. [redacted] package."

- Special Payment Provisions. Tying payment into delivery and acceptance causes us revenue recognition problems, as we are not in control (and I think in the case of your agency specifically, we'll not be involved on-site) with the installation and acceptance. If you need a triggering event to prompt payment, can't the delivery of the product be that trigger?
- I understand now the "Option" portion, but I still think that this does not tie in cleanly with the "Period of Performance" which seems to imply that you can extend the term of both licenses as late as September 15, 2007. Also, while you may exercise the right to purchase the additional unit at any time during the first year, the license will extend for 2 years from the time we deliver the second unit to you (which may not be as late as September 2005, if, for example, you elect to acquire that second unit in April of next year). Can we revise to something along the following lines:

"The period of performance of this contract for Item #001 above shall be from the date of award and shall continue for two years thereafter. If the Option specified in Item #002 above is exercised by the government within the first year from the contract award, the period of performance for the Option shall be for two years from the date of delivery of such Option."

- Time of Delivery. My understanding is that lead times for the [redacted] are approximately 4 weeks from order (in this case, contract award). I'm not sure if you want to specify a fixed date or a date from award for that. We'll try our best to exceed this time frame, but I don't think we can deliver quite as early as September 15th.

I hope this clarifies our final needs. Please let us know if we can incorporate these changes into a new document for signature.

Thanks,  
Sharon

**From:** [redacted]